



Division of Criminal Investigation

**Report regarding
Gaming Enforcement Study
Pursuant to SF447, sec. 51**

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Report filed with the Joint Appropriations Subcommittee on Justice Systems:

Senator Tom Courtney, Chair

Senator Jake Chapman, Ranking member

Representative Gary Worthan, Chair

Representative Todd Taylor, Ranking Member

As required in section 51 of SF 447, the Department of Public Safety, Division of Criminal Investigation (DCI) is filing this report with the co-chair persons and ranking members of the joint appropriations subcommittee on the justice system and concurrently with the legislative services agency to detail the activities of Gaming Enforcement Officers and Special Agents working at excursion gambling boats, gambling structures and racetrack enclosures. Section 51 specifically asks the DCI to report “the number of incidences the gaming enforcement officers handle versus private security, the number of fraud investigations and background checks performed by the special agents, and the percentage of time gaming enforcement officers and special agents work on gaming-related and nongaming related cases. In addition, the DCI is to report the time periods each excursion gambling boat, gambling structure, and racetrack enclosure are not staffed by at least one gaming enforcement officer or special agent”.

In compiling the information necessary to draft this report, the DCI first sought to define “incidences” in the context of this report. In discussing the reporting requirements under SF 447 with the Iowa Gaming Association and some of its members, it was quickly discovered that “incidences” could be defined in a broad manner that varied by perspective. There are a host of “incidences” the members of the IGA are required to address to insure the safety and security of their patrons that do not require a law enforcement or, generally speaking, regulatory response. These incidences can range from minor patron injuries to the routine casino entry denial of an intoxicated or underage individual. Conversely, there are incidences involving a law enforcement response that is self-initiated by the Gaming Enforcement Officer or Special Agent on duty acting independently of a request for service or assistance by casino staff. As a result of this discussion, both the IGA and the DCI recognized they would not be referencing the same types of incidences in calculating statistics for this report; rather they would each be reporting on incidences they routinely track in the course of their day to day activities. However, in an effort to be consistent, each entity agreed to report statistics for the time period January 1st to June 30th 2013.

In compiling the incidence statistics for this report, the DCI identified four broad categories of incidences with the noted number identified for the 6 month timeframe referenced for this report:

- **299 Fraud Investigations** to include forgery, theft, unlawful use of a driver license, falsifying an IRGC license application, counterfeit currency or chips and other fraudulent acts.
- **1005 Background Investigations** to include Class A (key personnel), Class D (corporate), Class C, Class O, Lottery backgrounds and personnel backgrounds for the DCI.
- **16,912 Regulatory Activities** to include FBI hits (license applicant’s prints match prints in the FBI fingerprint files), card inspections, dice inspections, roulette inspections, pit stand inspections, table cover inspections, soft drop observations, soft count observations, surveillance approvals, jockey run inspections, starting gate and box inspections and barn/kennel inspections)
- **4865 Other Incidents** to include all other criminal investigations, arrests and calls for service or assistance

While one role played by the DCI in the casino environment is responding to calls for law enforcement service from casino staff, the numbers identified above also identify the greater role played by DCI

Gaming Enforcement Officers and Special Agents: insuring the integrity of gaming in Iowa. As the DCI reorganizes the Gaming Bureau into the Special Enforcement Operations Bureau we will be able to place a greater emphasis on fraud and other financial investigations as we move away from our current front line law enforcement activities.

The DCI continues to embrace a significant commitment to maintaining the integrity of gaming in Iowa. The Gaming Enforcement Officers and Special Agents assigned to the Gaming Bureau focus the vast majority of their time on gaming related activities. For the 6 month time period referenced in this report, they spent 98.7% of their time on gaming related activities.

Over the course of the last few years, the DCI has experienced a gradual decline in the number of Gaming Enforcement Officers and Special Agents assigned to the Gaming Bureau and that number will continue to decline as we work through the reorganization process. There are currently 48 Special Agent 1's (gaming enforcement officers) and 37 Special Agent 2's assigned to the Bureau. This figure contrasts with the 61 Special Agent 1's and 39 Special Agent 2's authorized for the DCI in the FY14 budget.

The DCI staff at each excursion gambling facility work rotating shifts as a matter of course making it difficult to identify specific time periods when gaming facilities are not staffed by at least one gaming enforcement officer or special agent. The DCI has worked diligently to cover as many shifts at the gaming facilities as we can with the noted reduction in staffing, however there are shifts that are left without a Gaming Enforcement Officer or Special Agent available on the property. For the time period examined in this report, there were a total of 5430 regularly covered shifts of which 581 were not staffed by at least one gaming enforcement officer or special agent resulting in 10.7% of the shifts statewide going unstaffed.

As a matter of clarification, the racetrack enclosures and associated gaming facilities are only staffed by Special Agent 2 personnel. Those personnel are on a permanent flex schedule and have never been assigned shifts to cover at the facility, although they routinely vary their schedule to include a mix of day and evening hours.

Additionally, Iowa Administrative Rules require each of the racetrack facilities to include in their security force, contracted local law enforcement officers so that a police presence is available at all times, unless an exception is granted by the Administrator of the Iowa Racing and Gaming Commission.

The DCI wants to express gratitude to the IGA for the ongoing positive working relationship the two entities enjoy and particularly for the cooperative effort displayed in the drafting of this report. The DCI looks forward to a continuation of the current relationship and anticipates the ability to utilize the IGA as a resource in the reorganization process.